

Canadian Celanese Limited

ANNUAL REPORT
FOR THE YEAR ENDED
DECEMBER 31st
1932



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Canadian Celanese Limited

ANNUAL REPORT
FOR THE YEAR ENDED
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Directors

BRIG.-GEN. SIR WILLIAM ALEXANDER
K.B.E., C.B., C.M.G., D.S.O., M.P.

C. L. AUGER	HENRI DREYFUS
LEE CADIEN	A. SCHWARTZ
W. MCC. CAMERON	P. A. THOMSON
CAMILLE DREYFUS	G. H. WHIGHAM

Finance and Executive Committee

P. A. THOMSON (Chairman)	CAMILLE DREYFUS
G. H. WHIGHAM	W. MCC. CAMERON

Officers

G. H. WHIGHAM, Chairman of Board of Directors
CAMILLE DREYFUS, President
W. MCC. CAMERON, Vice-President
LEE CADIEN, Secretary and Treasurer
C. W. PALMER R. H. SPERLING
Vice-President Factory Manager
C. HESSEY-WHITE
Sales Manager

General Offices

1401 McGill College Avenue
Montreal, P.Q.

Factory

Drummondville
P.Q.

Auditors

MESSRS. P. S. ROSS & SONS
Montreal, P.Q.

DIRECTORS' REPORT

To the Shareholders
of Canadian Celanese Limited:

Appended hereto are copies of the Balance Sheet showing the financial position of the Company as at December 31, 1932 and the Profit and Loss and Surplus Account for the year ended December 31, 1932 together with the statement of the Company's auditors, Messrs. P. S. Ross & Sons.

The net profit from operations for the year was \$1,301,190.72 as compared with \$1,260,448.85 for the previous year. After making provision for income tax, depreciation, and other deductions, and after deducting \$100,277.46 as a reserve for contingencies and unascertained charges, there was carried to Surplus Account \$718,881.36 as compared with \$805,164.83 last year.

Dividends distributed to the holders of the 7% Cumulative Participating Preferred shares during the year amounted to \$720,000.00 being the regular 7% dividend for the current year and 1% dividend on account of arrears.

The special reserve in the amount of \$150,000.00 which was appropriated from Surplus last year is still intact to meet market depreciation of investment securities held by the Company, or for other purposes.

The total Surplus at the end of the year was \$1,723,449.89 as compared with \$1,730,478.49 at the end of the year December 31, 1931.

Current assets exceed current liabilities in the ratio of thirteen to one.

The Board thanks the employees of the Company for their zeal, loyalty and cooperation.

For the Board of Directors,

CAMILLE DREYFUS,
President.

Balance Sheet
as at December 31, 1932

Assets

FIXED:

Real Estate, Plant, Organization and Development Expenses, Patents, etc.	\$ 9,728,321.96
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CURRENT:

Cash on hand and in Banks	\$ 295,056.84	
Bonds and Stocks at Cost	1,271,120.93	
Accounts Receivable and Accrued Interest	405,567.15	
Inventories of Raw Materials, Sup- plies, Work in Process and Finished Goods	1,321,641.05	3,293,385.97

DEFERRED AND PREPAID CHARGES:

Unexpired Insurance, Taxes, etc.	38,071.43
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\$13,059,779.36

Approved on behalf of the Board:

(Signed) C. L. AUGER	Director
P. A. THOMSON	Director

Balance Sheet
as at December 31, 1932

Liabilities

CAPITAL STOCK:

AUTHORIZED:

150,000 Shares 7% Cumulative
Participating Preferred
300,000 Shares Common without
Nominal or Par Value

ISSUED:

90,000 Shares 7% Cumulative Participating Preferred	\$ 9,000,000.00
250,409 Shares Common without Nominal or Par Value	981,545.00 \$ 9,981,545.00

(Arrears of Dividends on Preferred Shares, \$28.75 per Share)

RESERVE FOR DEPRECIATION OF BUILDINGS, MACHINERY AND EQUIPMENT	826,255.13
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RESERVE FOR CONTINGENCIES, UNASCERTAINED CHARGES, ETC.	129,082.42
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SPECIAL RESERVE	150,000.00
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CURRENT:

Accounts Payable and Accrued Liabilities	249,446.92
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SURPLUS:

Per Statement attached	1,723,449.89
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\$13,059,779.36

Examined and Certified in accordance with our attached Certificate.

P. S. ROSS & SONS,
Chartered Accountants

Montreal, January 31, 1933

STATEMENT OF PROFIT AND LOSS AND SURPLUS ACCOUNT
For the Year Ended December 31, 1932

Profit from Operations	\$ 1,301,190.72
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DEDUCT:

Depreciation	\$ 265,979.55	
Income Tax Reserve and other Deductions	216,052.33	
Reserve for Contingencies, Unascertained Charges, etc.	100,277.46	582,309.34
		718,881.38

ADD:

Balance at Credit of Surplus Account, December 31, 1931	1,730,478.49	
Less: Prior Year Adjustments	5,909.98	1,724,568.51
		2,443,449.89

DEDUCT:

Dividends paid on Preferred Shares during 1932:		
7% for the year 1932	630,000.00	
1% on account of arrears	90,000.00	720,000.00

Balance at Credit of Surplus Account, December 31, 1932	\$ <u>1,723,449.89</u>
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AUDITORS' CERTIFICATE

January 31, 1933

Canadian Celanese Limited
Montreal.

We have examined the books of account and financial records of Canadian Celanese Limited for the year ended December 31, 1932, and have obtained all the information and explanations we have required.

Your Investment Securities are shown on the attached Balance Sheet at their actual cost, the Special Reserve, provided as at December 31, 1931, being considered adequate to provide for the decline in the market value of these Securities as at December 31, 1932.

We certify that, in our opinion, the attached Balance Sheet and relative Profit and Loss and Surplus Account present a true and correct statement of the financial position of the Company as at December 31, 1932, and the results from operations for the year ended that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

P. S. ROSS & SONS,

Chartered Accountants

